

AMENDED IN ASSEMBLY JUNE 21, 2007

SENATE BILL

No. 431

Introduced by Senators Aanestad and Wiggins

February 21, 2007

An act to ~~amend Section 20815 of~~ *add Section 20815.5 to the* Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 431, as amended, Aanestad. Public employees' retirement: Butte County and Solano County.

The Public Employees' Retirement Law provides that, after the implementation of the Trial Court Employment Protection and Governance Act, for counties contracting with the Board of Administration of the Public Employees' Retirement System, a trial court and a county in which the trial court is located shall jointly participate in the retirement system by joint contract. Existing law also requires the assets and liabilities of a county and a trial court jointly contracting with the board to be combined for purposes of setting the employer contribution rate for both the county and the trial court.

~~This bill would create an exception to that provision for the Counties of Butte and Solano, to require the assets and liabilities of the trial court and each county to be separated based on a computation as determined by the actuary retroactive to June 30, 2002. The bill would also provide that following the separation of the assets and liabilities, those trial courts shall participate in a risk pool, as specified, regardless of the number of active members in a member classification.~~

This bill would require the Board of Administration of the Public Employees' Retirement System, from its existing resources and for the Counties of Butte and Solano, to prepare a separate computation of

the assets and liabilities of the trial court and each county, as determined by the actuary. The bill would require the Board of Administration, on or before October 1, 2008, to forward a computation to each respective county that covers the period from June 30, 2002, to June 30, 2008, inclusive. The bill would also require the Board of Administration, on or before October 1, 2009, and every October 1 thereafter, to forward a computation to each respective county that covers the prior fiscal year. The bill would provide that nothing in these provisions shall be construed to effect the combined calculation of assets and liabilities for purposes of setting the employer contribution rate for both a county and a trial court, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 20815.5 is added to the Government Code,
2 to read:

3 20815.5. (a) The board shall, within its existing resources,
4 prepare both of the following:

5 (1) For Butte County, a separate computation of the assets and
6 liabilities of the Butte County trial court and those of Butte County,
7 as determined by the actuary.

8 (2) For Solano County, a separate computation of the assets
9 and liabilities of the Solano County trial court and those of Solano
10 County, as determined by the actuary.

11 (b) (1) On or before October 1, 2008, the board shall forward
12 the computation described in subdivision (a) to each respective
13 county and the computation shall cover the period from June 30,
14 2002, to June 30, 2008, inclusive.

15 (2) On or before October 1, 2009, and every October 1
16 thereafter, the board shall forward the computation described in
17 subdivision (a) to each respective county and the computation
18 shall cover the prior fiscal year.

19 (c) Nothing in this section shall be construed to effect the
20 combined calculation of assets and liabilities for purposes of
21 setting the employer contribution rate for both a county and a trial
22 court as described in subdivision (b) of Section 20815.

23 ~~SECTION 1. Section 20815 of the Government Code is~~
24 ~~amended to read:~~

1 ~~20815. (a) Notwithstanding any other provision of this part,~~
2 ~~including, but not limited to, Sections 20225 and 20790, the board~~
3 ~~shall not combine the assets and liabilities of public agency~~
4 ~~employers into a single account for the purpose of setting a uniform~~
5 ~~rate of employer contributions for all public agency employers.~~
6 ~~The rate at which a public employer's contribution to this system~~
7 ~~shall be fixed shall be based upon its own experience. Provisions~~
8 ~~of law that provide authority for this system to combine the assets~~
9 ~~and liabilities of public employers into a single account for~~
10 ~~purposes of establishing a uniform rate are superseded to the extent~~
11 ~~that they provide that authority. For purposes of this section only,~~
12 ~~references to public employers shall not be construed to include~~
13 ~~school employers.~~

14 ~~(b) Notwithstanding subdivision (a), and except as described in~~
15 ~~subdivision (c), the assets and liabilities of a county and a trial~~
16 ~~court jointly contracting with the board under Section 20460.1~~
17 ~~shall be combined for purposes of setting the employer contribution~~
18 ~~rate for both the county and the trial court.~~

19 ~~(c) The assets and liabilities of the Butte County trial court and~~
20 ~~those of Butte County, and the assets and liabilities of the Solano~~
21 ~~County trial court and those of Solano County, shall be separated~~
22 ~~based on a computation as determined by the actuary retroactive~~
23 ~~to June 30, 2002. Following the separation of the assets and~~
24 ~~liabilities, the Butte County trial court and the Solano County trial~~
25 ~~court shall participate in a risk pool created in accordance with~~
26 ~~Section 20840 regardless of the number of active members in a~~
27 ~~member classification.~~